

**CLASSIFICATION**

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# BY CABLE

CD NO.

**COUNTRY** Austria/Rumania

DATE DISTR. 1 October 1952

**SUBJECT**      **Forthcoming Austro-Rumanian Trade Talks**

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**NO. OF ENCLS.  
(LISTED BELOW)**

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**SUPPLEMENT TO  
REPORT NO.**

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1. In a note to the Austrian Foreign Office dated 19 September 1952, the Rumanians agreed to extend the expiration date of the Austro-Rumanian Trade Agreement from 30 September 1952 to 30 November 1952, if the Austrians will extend their quotas by one-sixth. The Rumanians agreed to renew trade talks at any time on one month's notice, but requested that meetings be in Bucharest although they are due to be held in Vienna this year.
2. The Rumanians owe 2.1 million clearing dollars <sup>1</sup> chiefly through their failure to offer reasonably priced grain. On 22 September the Austrian National Bank threatened to refuse schilling payments to Austrian firms exporting to Rumania unless the Rumanians took immediate steps to reduce this debt. Apparently as a result of the bank's threat and in preparation for the new trade talks the Rumanian commercial attache in Vienna, Adalbert Sternheim, attending the Austrian inter-ministerial conference on 24 September, made an offer of grains at 130 instead of 140 dollars per ton. He was to check with Bucharest on the Austrian counter-proposal to pay 12-125 dollars per ton.
3. The Austrians insisted on holding the coming trade talks in Vienna in mid-October, but expect that the final schedule will take them to Bucharest in mid-November.
4. The Austrians are proposing resumption of Austrian and Rumanian Danube shipping <sup>2</sup> under the same conditions agreed to in the Austri-Hungarian shipping protocol and will include this proposal on the agenda of the forthcoming talks.
5. The Austrian Minister in Bucharest, Rudolf Baumann, hopes to include the following questions in the trade talks, although he has not yet received approval from his Foreign Office to do so:

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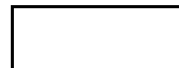
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- a. The problem of exit visas for Austrian nationals in Rumania; at present visas take one or two years to obtain, if granted at all.
- b. The problem of space for the Austrian Mission in Bucharest; contrary to the denial of the Soviet Ambassador there, the Rumanians claim that the Austrian Legation building cannot be released because it is occupied by the Soviets.

25X1 1.  Comment: The treaty limits the Rumanian debt to one million.

25X1 2.  Comment: The new Austro-Hungarian Shipping Protocol was concluded on 11 September 1952.

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